



Suburban Mobility Authority for Regional Transportation

1st Quarter Financial Report

FY2023 – September 30, 2022

As Presented By:

Finance Department

1st Quarter FY2023 Financial Reports

Submitted By: Ryan Byrne, CFO

1/17/23

The first quarter financial statement of FY 2023 has been completed. SMART's balance sheet remains stable. As compared to first quarter FY2022, FY2023 total assets for the same period are 3.4% higher. The key individual asset that supports the asset increase is Cash and Cash Equivalents, due to additional efforts to collect grants receivable more timely. Total first quarter FY2023 liabilities (excluding pension and OPEB) are up 19.7% as compared to first quarter FY2022. This overall liability increase is largely a result of the timing of payments on the Authority's accounts payable, and payables under Municipal and Community Credit programs. The net asset unrestricted balance remains positive, meaning the authority maintains a small surplus of assets over liabilities.

First quarter FY2023, overall revenues compared to FY2022 overall appropriation is below target by approximately 17.18% or \$6.8M. The Authority has included property tax revenues from Oakland County commensurate with the original FY 23 budget, thus has not yet included any Oakland County funding increase, as we continue to finalize the expansion plan.

First quarter FY2023, overall actual expenditures compared to FY 2023 appropriation for the same time period are currently 12.14% below FY2023 appropriation. Fixed route costs, as well as connector and general administration personal services costs (wages and fringes) are down as compared to current appropriation. This trend is largely due to open fixed route and connector bus positions, and reduced service miles as compared to pre pandemic levels.

I will be available to answer any questions regarding this report at the Board's convenience.

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SMART
Balance Sheet - Summary of All Funds
For the Three Months Ending September 30

SMART BALANCE SHEET	FY2023	FY2022	Y/E FY2022
ASSETS			
Current Assets			
Cash and Cash Equivalents	130,571,175.88	89,417,415.99	143,935,102.12
Investments	16,563,442.00	18,378,116.63	17,062,918.35
Receivables:			
Accrued Interest Receivable	24,905.27	21,938.09	26,139.86
Grants Receivable	25,305,461.14	53,709,375.80	35,034,656.62
Local Contributions Receivable	18,537,125.99	19,864,557.92	368,300.00
Other Receivables	1,419,419.43	516,728.60	1,483,427.87
Materials and Supplies Inventory	3,037,048.56	3,448,999.15	2,822,250.01
Prepaid Expenses	2,439,042.16	1,859,528.00	500,005.08
Total Current Assets	197,897,620.43	187,216,660.18	201,232,799.91
Noncurrent Assets			
Cash Restricted for Re-Investment	121,707.70	101,638.82	121,707.70
Capital Assets, net	165,006,733.61	163,789,991.15	162,892,556.43
Total Noncurrent Assets	165,128,441.31	163,891,629.97	163,014,264.13
Total Assets	\$ 363,026,062	\$ 351,108,290	\$ 364,247,064
Deferred Outflows of Resources			
Deferred Outflows-Pension	17,868,658.00	17,102,393.00	17,868,658.00
Deferred Outflows-OPEB	15,994,171.00	19,075,656.00	15,994,171.00
Total Deferred Outflows	33,862,829.00	36,178,049.00	33,862,829.00
Total Assets and Deferred Outflows	\$ 396,888,891	\$ 387,286,339	\$ 398,109,893
LIABILITIES AND NET ASSETS			
Current Liabilities			
Municipal and Community Credits Payable	7,765,326.33	6,891,854.51	6,680,591.94
Accounts Payable under POS agreements	4,253,518.47	2,256,684.20	3,211,382.94
Accrued Self Insurance	14,661,746.68	14,362,361.14	14,755,528.23
Payable to the State of Michigan	3,742,124.49	2,018,600.00	3,742,124.49
A/P State Act 51 Prior Yr Adj	(2.00)	21,004.00	15,449.00
Accounts Payable and Accrued Expenses	9,019,030.56	7,067,619.72	13,089,333.10
Accrued Compensation	5,048,230.05	4,545,906.14	4,297,349.17
Total Current Liabilities	44,489,974.58	37,164,029.71	45,791,758.87
Noncurrent Liabilities			
Net OPEB Obligation	58,422,140.79	57,523,031.74	58,422,140.79
Net Pension Obligation	37,903,252.58	55,343,800.80	37,903,252.58
Lease Liability	1,973,198.00		1,973,198.00
Total Liabilities	142,788,565.95	150,030,862.25	144,090,350.24
Deferred Inflows of Resources			
Deferred Inflows-OPEB	35,409,767.00	58,688,895.00	35,409,767.00
Deferred Inflows-Pension	20,285,642.41	10,521,681.00	20,285,642.41
Deferred Inflows-Lessor	550,287.00		550,287.00
Total Deferred Inflows	56,245,696.41	69,210,576.00	56,245,696.41
Total Liabilities and Deferred Inflows	199,034,262.36	219,241,438.25	200,336,046.65
RETAINED EARNINGS			
Net Position:			
Invested in Capital Assets, net of related debt	165,006,733.61	163,789,991.15	162,892,556.43
Restricted	121,707.70	101,638.82	121,707.70
Unrestricted	32,726,187.07	4,153,270.93	34,759,582.26
Total Net Position	197,854,628.38	168,044,900.90	197,773,846.39
Total Liabilities and Net Position	340,643,194.33	318,075,763.15	341,864,196.63
Total Liabilities, Deferred Inflows and Net Position	\$ 396,888,891	\$ 387,286,339	\$ 398,109,893

SMART FUNCTIONAL INCOME STATEMENT	1st Quarter FY 2022/23			
	ACTUAL	BUDGET	\$\$ VARIANCE FAV(UNFAV)	% VARIANCE
REVENUES				
FEDERAL OPERATING REVENUE				
Section 5307 & 5309	\$2,000,000.01	\$2,000,001.00	0.99	0.00%
Other Federal Grants	83,163.50	184,752.00	101,588.50	54.99%
Sec 5307 CARES Act	-	1,125,000.00	1,125,000.00	0.00%
Total Federal Operating Revenue	2,083,163.51	3,309,753.00	1,226,589.49	18.56%
STATE OF MICHIGAN				
Act 51	6,425,078.00	10,875,000.00	4,449,922.00	40.92%
State PM Revenue	500,000.01	500,001.00	0.99	0.00%
Other State Grant	26,240.88	40,875.00	14,634.12	35.80%
Total State Operating Revenue	6,951,318.89	11,415,876.00	4,464,557.11	39.11%
LOCAL CONTRIBUTION				
Contribution From County Transit Authorities	19,700,001.00	19,700,001.00		0.00%
Contra Revenue - Local Contribution	(37,500.00)	(37,500.00)		0.00%
Total Local Contribution Revenue	19,662,501.00	19,662,501.00	0.00	0.00%
Local Comm Stabilization	-	500,001.00	500,001.00	100.00%
OPERATIONS:				
Fixed Route	1,469,732.75	1,574,226.00	104,493.25	6.64%
Connector	136,738.92	142,758.00	6,019.08	4.22%
Mircotransit	45,131.32	12,501.00	(32,630.32)	-261.02%
Admin Fee Revenue	142,604.16	139,248.00	(3,356.16)	-2.41%
Interest Revenue	(14,108.87)	75,000.00	89,108.87	118.81%
Fleet Maint Reimbursement	40,158.10	26,250.00	(13,908.10)	-52.98%
Other Revenues	11,351.00	20,001.00	8,650.00	43.25%
Restricted Revenue	2,376,935.40	2,855,502.00	478,566.60	16.76%
Total Operating Revenues	\$ 32,905,526	\$ 39,733,617	\$ (6,828,091)	-17.2%
OPERATING EXPENSES				
FUNCTIONAL OPERATIONS:				
Fixed Route	19,486,039.55	23,541,930.00	4,055,890.45	17.23%
Connector	4,071,079.74	4,958,552.00	887,472.26	17.90%
General Administration	5,808,464.42	5,066,557.99	(741,906.43)	-14.64%
Microtransit	1,582,200.22	1,500,003.00	(82,197.22)	-5.48%
Community Credits	1,028,721.00	1,028,724.00	3.00	0.00%
Vehcile Purchase Expense	0.00	125,001.00	125,001.00	100.00%
Purchase of Service	200,110.60	172,923.00	(27,187.60)	-15.72%
Community Transit Service	76,581.66	48,252.00	(28,329.66)	-58.71%
Depreciation	62,700.00	62,499.00	(201.00)	-0.32%
Contingency	282,914.81	450,000.00	167,085.19	37.13%
Restricted Expenses	2,376,935.40	2,855,499.00	478,563.60	16.76%
Total Operating Expenses	\$ 34,975,747	\$ 39,809,941	\$ 4,834,194	12.1%
Operating Revenues over (under) Expenses	\$ (2,070,221)	\$ (76,324)	\$ (1,993,897)	

SMART - General
 STATEMENT OF REVENUE AND EXPENSES
 OPERATIONAL STATEMENT
 For the Three Months Ending September 30, 2022

SMART OPERATIONAL INCOME STATEMENT	ACTUAL	BUDGET	VARIANCE	% VARIANCE	FY 2022/23	
					ANNUAL BUDGET	BUDGET REMAINING
REVENUES						
Route Revenue:						
Fare Revenue	\$1,235,595.94	\$1,374,960.00	(\$139,364.06)	10.14%	\$5,500,000.00	(\$4,264,404.06)
Mircotransit	45,131.32	12,501.00	32,630.32	-261.02%	50,000.00	(4,868.68)
Total Route Revenue	1,280,727.26	1,387,461.00	(106,733.74)	7.69%	5,550,000.00	(4,269,272.74)
Federal Sources:						
Section 5307	2,000,000.01	2,000,001.00	(0.99)	0.00%	8,000,000.00	(\$5,999,999.99)
Other Federal Grants	83,163.50	184,752.00	(101,588.50)	54.99%	739,000.00	(\$655,836.50)
Section 5307 CARES Act		1,125,000.00	(1,125,000.00)		4,500,000.00	(\$4,500,000.00)
Total Federal Sources	2,083,163.51	3,309,753.00	(1,226,589.49)	37.06%	13,239,000.00	(11,156,602.49)
State Sources:						
State Act 51 SMART	6,425,078.00	10,875,000.00	(4,449,922.00)	40.92%	43,500,000.00	(\$37,074,922.00)
State PM Match	500,000.01	500,001.00	(0.99)	0.00%	2,000,000.00	(\$1,499,999.99)
Other State Revenue	26,240.88	40,875.00	(14,634.12)	35.80%	163,500.00	(137,259.12)
Total State Sources	6,951,318.89	11,415,876.00	(4,464,557.11)	39.11%	45,663,500.00	(38,712,181.11)
Local Sources:						
Contributions from Local Transit Authorities	19,700,001.00	19,700,001.00		0.00%	78,800,000.00	(\$59,099,999.00)
Contra Revenue - Local Contribution	(37,500.00)	(37,500.00)		0.00%	(150,000.00)	112,500.00
Total From Local Sources	19,662,501.00	19,662,501.00	0.00	0.00%	78,650,000.00	(58,987,499.00)
Other Income:						
Advertising	197,436.55	225,000.00	(27,563.45)	12.25%	900,000.00	(\$702,563.45)
Rental Income	13,265.52	15,003.00	(1,737.48)	11.58%	60,000.00	(\$46,734.48)
Interest Income	(14,108.87)	75,000.00	(89,108.87)	118.81%	300,000.00	(\$314,108.87)
Fleet Maint Reimbursement	40,158.10	26,250.00	13,908.10	-52.98%	105,000.00	(\$64,841.90)
Admin Fees Revenue	142,604.16	139,248.00	3,356.16	-2.41%	557,000.00	(\$414,395.84)
Miscellaneous	128,414.08	80,523.00	47,891.08	-59.48%	322,100.00	(\$193,685.92)
Local Comm Transit Operating Rev	43,110.58	41,499.00	1,611.58	-3.88%	166,000.00	(\$122,889.42)
Local Comm Stabilization		500,001.00	(500,001.00)	100.00%	2,000,000.00	(2,000,000.00)
Total Other Income	550,880.12	1,102,524.00	(551,643.88)	50.03%	4,410,100.00	(3,859,219.88)
Restricted Pass Through Revenue (Exp Match):	2,376,935.40	2,855,502.00	(478,566.60)	16.76%	11,422,000.00	(\$9,045,064.60)
TOTAL REVENUES	32,905,526.18	39,733,617.00	(6,828,090.82)	17.18%	158,934,600.00	(126,029,073.82)

SMART - General
 STATEMENT OF REVENUE AND EXPENSES
 OPERATIONAL STATEMENT
 For the Three Months Ending September 30, 2022

EXPENSES

WAGE AND WAGE RELATED EXPENSES:

ACTIVE EMPLOYEES:

Active Salaries, Wages & Taxes

Administrative	1,733,252.20	2,455,952.00	722,750.04	29.43%	9,602,400.00	7,869,147.80
Operations	8,834,847.42	10,332,375.00	1,497,527.58	14.49%	41,334,900.00	32,500,052.58
Maintenance	2,565,119.12	3,111,818.00	546,698.88	17.57%	12,358,100.00	9,792,980.88
Total Active Salaries, Wages, Taxes	13,133,218.74	15,900,145.00	2,766,976.50	17.40%	63,295,400.00	50,162,181.26
% of Total Revenue						

Active Employee Benefits:

Hospitalization/Medical	2,460,889.69	2,180,250.00	(293,761.69)	-13.47%	8,668,500.00	6,207,610.31
Life, AD&D, Drug, Dental, Optical	289,727.00	313,782.00	24,055.00	7.67%	1,255,130.00	965,403.00
Other Employee Benefits	89,787.67	105,462.00	15,674.33	14.86%	421,870.00	332,082.33
Workers Compensation	233,451.00	198,501.00	(34,950.00)	-17.61%	794,000.00	560,549.00
Health Care Saving Plan	187,975.11	262,425.00	74,449.89	28.37%	1,049,700.00	861,724.89
FICA	1,004,852.06	1,205,226.00	200,373.94	16.63%	4,820,900.00	3,816,047.94
Pension Funding	2,562,810.49	2,429,952.00	(132,858.49)	-5.47%	12,601,100.00	10,038,289.51
Total Active Employee Benefits	6,829,493.02	6,695,598.00	(147,017.02)	-2.20%	26,729,900.00	19,900,406.98

% of Total Active Wages

52% 42%

Total Active Employee Wages & Benefits:

	19,962,711.76	22,595,743.00	2,619,959.48	11.59%	90,025,300.00	70,062,588.24
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RETIRED EMPLOYEES:

Post Employment Benefits:

OPEB Net Unfunded Obligation	623,649.99	623,649.00	(0.99)	0.00%	2,494,600.00	1,870,950.01
Retiree Medical & Drug Premiums	1,639,247.13	2,108,949.00	469,701.87	22.27%	8,435,800.00	6,796,552.87
Total Post Retirement	2,262,897.12	2,732,598.00	469,700.88	17.19%	10,930,400.00	8,667,502.88

Total Wage & Wage Related Expenses	\$ 22,225,609	\$ 25,328,341	\$ 3,089,660	12.20%	\$ 100,955,700	\$ 78,730,091
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SMART - General
STATEMENT OF REVENUE AND EXPENSES
OPERATIONAL STATEMENT
For the Three Months Ending September 30, 2022

Operations:

Operational Expenses

Direct Variable (Vehicle):

Diesel Fuels	2,179,590.96	2,545,002.00	365,411.04	14.36%	10,180,000.00	8,000,409.04
Gas, Oil, Lubricants, Etc.	70,801.19	136,497.00	65,695.81	48.13%	546,000.00	475,198.81
Repair Parts	746,534.66	805,005.00	58,470.34	7.26%	3,220,000.00	2,473,465.34
Leased Batteries	146,512.00	35,001.00	(111,511.00)	-318.59%	140,000.00	(6,512.00)
Tires	311,492.93	281,976.00	(29,516.93)	-10.47%	1,127,900.00	816,407.07
Vehicle Liability	1,451,536.60	1,455,408.00	3,871.40	0.27%	5,821,600.00	4,370,063.40
Bus Contract Repairs-Maintenance	549,821.33	331,571.00	(218,250.33)	-65.82%	1,326,300.00	776,478.67
Contract Repairs-Accidents		11,250.00	11,250.00	100.00%	45,000.00	45,000.00
Towing	35,760.00	45,747.00	9,987.00	21.83%	183,000.00	147,240.00
Other Repair Parts	4,009.31	14,997.00	10,987.69	73.27%	60,000.00	55,990.69
Total Direct Variable (Vehicle)	5,496,058.98	5,662,454.00	166,395.02	2.94%	22,649,800.00	17,153,741.02

Microtransit

	1,582,200.22	1,500,003.00	(82,197.22)	-5.48%	6,000,000.00	4,417,799.78
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Indirect Variable:

Fare Collection Costs	104,397.65	133,947.00	29,549.35	22.06%	535,800.00	431,402.35
Route Facilities Maint.	10,940.74	47,073.00	36,132.26	76.76%	188,300.00	177,359.26
Other-Operational	46,009.70	47,001.00	991.30	2.11%	188,000.00	141,990.30
Total Indirect Variable	161,348.09	228,021.00	66,672.91	29.24%	912,100.00	750,751.91

Facilities:

Utilities	327,702.87	410,970.00	83,267.13	20.26%	1,643,900.00	1,316,197.13
Contract Bldg Maint	150,137.78	214,008.00	63,870.22	29.84%	856,000.00	705,862.22
Building Maint	28,113.86	67,614.00	39,500.14	58.42%	270,500.00	242,386.14
Other-Maintenance	73,541.03	87,093.00	13,551.97	15.56%	348,400.00	274,858.97
Business Insurance	21,327.00	16,602.00	(4,725.00)	-28.46%	66,400.00	45,073.00
Total Facilities	600,822.54	796,287.00	195,464.46	24.55%	3,185,200.00	2,584,377.46

Total Operational Expenses	\$ 7,840,430	\$ 8,186,765	\$ 346,335	4.23%	\$ 32,747,100	\$ 24,906,670
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SMART - General
STATEMENT OF REVENUE AND EXPENSES
OPERATIONAL STATEMENT
For the Three Months Ending September 30, 2022

Administration, Other, Spec Serv, Contingency:

Administration

General Supplies	33,451.13	124,989.99	92,657.91	74.13%	499,900.00	466,448.87
Professional, Outside Serv	253,558.80	410,250.00	156,691.20	38.19%	1,641,000.00	1,387,441.20
Outside Counsel-non V/L & W/C	12,068.50	137,499.00	125,430.50	91.22%	550,000.00	537,931.50
Computer Maint	252,342.98	206,127.00	(46,215.98)	-22.42%	824,500.00	572,157.02
Marketing Expense	265,472.39	501,849.00	236,376.61	47.10%	2,007,400.00	1,741,927.61
Other Administration	119,871.52	171,222.00	51,350.48	29.99%	684,900.00	565,028.48
Total Administration	\$ 936,765	\$ 1,551,937	\$ 615,172	39.64%	\$ 6,207,700	\$ 5,270,935

Other

Vehicle Purchase Expense		125,001.00	125,001.00	100.00%	500,000.00	500,000.00
Depreciation-Eligible	62,700.00	62,499.00	(62,700.00)	-100.32%	250,000.00	187,300.00
Total Other	\$ 62,700	\$ 187,500	\$ 124,800	66.56%	\$ 750,000	\$ 687,300

Special Services:

Community Credit Exp.	1,028,721.00	1,028,724.00	3.00	0.00%	4,114,900.00	3,086,179.00
POS, Comm Transit Svc & Alloc Overhead	221,672.16	221,175.00	(497.16)	-0.22%	884,700.00	663,027.84
Total Special Services	\$ 1,250,393	\$ 1,249,899	\$ (494)	-0.04%	\$ 4,999,600	\$ 3,749,207

Contingency	282,914.81	450,000.00	\$ 167,085	37.13%	\$ 1,800,000	\$ 1,517,085
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Restricted Pass Through Expense (Rev. Match)	2,376,935.40	2,855,499.00	478,563.60	16.76%	11,422,000.00	9,045,064.60
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Total Operational & Administration Expenses	\$ 12,750,139	\$ 14,481,600	\$ 1,731,461	11.96%	\$ 57,926,400	\$ 45,176,261
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TOTAL EXPENSES (Wages & Operational)	\$ 34,975,747	\$ 39,809,941	\$ 4,834,194	12.14%	\$ 158,882,100	\$ 123,906,353
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NET INCOME (LOSS)	\$ (2,070,221)	\$ (76,324)	\$ (1,993,897)			
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